



REQUIREMENTS FOR ADMISSION TO TRANSACTION BUSINESS AS AN INSURANCE PREMIUM FINANCE COMPANY IN VIRGINIA

A corporation must obtain a License (issued by the Bureau of Insurance) and a Certificate of Authority (issued by the Clerk of the State Corporation Commission) in order to transact business as a premium finance company in Virginia. In seeking license approval, the applicant needs to submit all items listed under the general heading PART I: INITIAL FILINGS to the Virginia Bureau of Insurance, P. O. Box 1157, Richmond, Virginia 23218.

PART I: INITIAL FILINGS

Please read the following filing requirements carefully so that all papers are properly prepared and submitted at one time. All necessary blank forms are enclosed. Except for requisite signatures, all statements must be printed or typed. If additional space is required to complete any statement, an addendum should be attached. All schedules must be filled out; write "none" or "not applicable" where appropriate. Regarding Virginia's overall requirements, each applicant should review Chapter 47, Title 38.2 of the Code of Virginia and 14 VAC 5-390-10, et seq. These requirements can be found on our website at: <http://www.state.va.us/scc/division/boi>

1. Application Form

- a) Partnership and individual proprietorships shall make application on form VAPF 1; corporation applications shall use form VAPF 1(A). Each license application must be completed in its entirety and properly executed under oath.
- b) Each application must be accompanied by certified or cashier's check drawn to the TREASURER OF VIRGINIA in the amount of \$500.00 (38.2-4701).

2. Individual Questionnaires

- a) Each applicant must submit a Biographical Affidavit fully and properly executed by:
 - i) the owner of an individual proprietorship;

- ii) each partner of a partnership
- iii) each officer and director of a corporation as well as by any stockholder owning more than ten (10) percent of any class of outstanding stock.

3. Financial Statements

- a) Each applicant shall complete and submit a current financial statement on form VAPF3 showing the company's financial condition as of the close of the last preceding calendar quarter.
- b) In addition to form VAPF3, an established company shall also complete and submit an Annual Statement showing last year's operations as well as the company's financial condition as of the end of the preceding calendar year.

4. Surety Bond

- a) A surety bond (form VAPF4) in the amount of \$50,000 is required to be executed and filed with the Bureau of Insurance.

5. Forms of Approval

- a) The company shall submit the following forms for approval:
 - i) Insurance Premium Finance Contract
 - ii) Payment Book
 - iii) Notice of Overdue Payment or Intent to Cancel
 - iv) Notice of Cancellation
 - v) Rate Chart or Charts
- b) In addition to the required forms above, the Company shall file all other forms that it prepares for delivery or mailing to a customer or an insurer. The company need not file correspondence except for form letters designed for repeated use.
- c) All forms will be reviewed for compliance with Chapter 47, Title 38.2 of the Code of Virginia and 14 VAC 5-390-10, et seq. No licensee shall make use of any form that has not been given prior approval.

6. Plan of Operation

- a) Each applicant shall include as a part of the application, a description detailing its plan of operation in Virginia.
- b) The plan shall include how the product will be marketed in Virginia, as well as providing who will be producing the business.
- c) Each applicant shall provide as a part of the application, a reasonable time frame to commence operation if licensed in Virginia (within 6 months).

OTHER FILINGS
PART II: FOR CORPORATIONS ONLY

If the applicant is to be a Virginia Corporation, it must secure a Certificate of Incorporation from the Clerk's Office, State Corporation Commission, (804) 371-9733. This may be done by filing Articles of Incorporation and paying the necessary fees. Information pertaining to this process may be obtained at <http://www.state.va.us/scc>

If the applicant is a foreign corporation, it must secure a Virginia Certificate of Authority from the Clerk's Office, State Corporation Commission. Again, information may be obtained at <http://www.state.va.us/scc> This is in addition to the license received from the Bureau of Insurance.

Please contact Henry Harris in the Company Licensing & Regulatory Compliance section of the Bureau of Insurance at (804) 371-9281 with any questions regarding the licensing of Premium Finance Companies in Virginia.

VAPF1
Individual
Or
Partnership

**COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
BUREAU OF INSURANCE
RICHMOND, VA 23218**

APPLICATION FOR LICENSE AS AN INSURANCE PREMIUM FINANCE COMPANY

(Before filling out this form, read the instructions carefully. All answers should be printed or typed. If additional space is required to complete any statement, prepare and annex a rider. Write "None" or "Not Applicable," where appropriate.)

_____, _____
TO THE STATE CORPORATION COMMISSION, Bureau of Insurance, Richmond, VA:
Gentlemen:

The undersigned

Desire(s) to engage in business as an Insurance Premium Finance Company pursuant to the provisions of Chapter 47 of Title 38.2 of the Code of Virginia, (does) (do) hereby make application for a license in accordance with its terms.

1. The name under which the business will be conducted is

2. Does the applicant and partnership applicant operate under an assumed name _____?
If "yes" indicate name _____, and
attach two copies of Certificate required by 59.1-69 of the Code of Virginia.
3. The number, street, office building and room number, municipality, county and state where the applicant will engage in the business for which this application is being made are:

4. The (name and residence of individual applicant) (name and residence of each member of the Partnership applicant) are:

Name

Residence

5. (Complete only if applicant is a licensed insurance agent or non-resident broker.

- a) The applicant is authorized to act as an insurance agent or non-resident broker in this State. (Attach list of licenses currently in effect, stating name of company _____ and _____ type _____ of license.) _____

- b) No license to engage in the business of an insurance agency or non-resident broker in this State has been suspended or revoked except as follows: _____

6. A notarized current financial statement of the applicant at the close of business as of _____, _____, is annexed hereto and made a part hereof.

7. No other business will be conducted on the licensed premise, except as follows:

8. The applicant has one or more branches, subsidiaries or affiliates operating in this State, and the complete names and addresses of such places of business are:

Name

Address

9. The address of the principal place of business of the applicant in this State is

10. Applicant will make available all relevant books, records, accounts and documents at

11. Neither the applicant, nor any member of the partnership applicant, nor any employee of the applicant has ever applied for a license to engage in the business of an Insurance Premium Finance Company in this State, except as follows: (Set forth name of applicant, date and place of application and disposition thereof).

12. Neither the applicant, nor any member of the partnership applicant, nor any employee of the applicant, previously licensed under Chapter 47 of Title 38.2 of the Code of Virginia, has had such license suspended or revoked, except as follows:

13. Neither the applicant, nor any member of the partnership applicant, nor any employee of the applicant has ever applied to any other State for a license to engage in the business of insurance premium financing, except as follows: (Set forth name of applicant, date and place of application and disposition thereof.)

14. No license to engage in the business of insurance premium financing issued by any other State to the applicant or to any member of the partnership applicant or to any employee of the applicant has ever been suspended or revoked, except as follows: (Set forth name of license, date and place of suspension or revocation of license and reason for such suspension or revocation.)

15. Neither the applicant, nor any member of the partnership applicant, nor any employee of the applicant has ever been arrested, indicted or convicted for any crime in any jurisdiction, except as follows: (Set forth date, place, charge and name of defendant.)

16. No finding has been made by the State Corporation Commission or other proper authority that the applicant, nor any member of the partnership applicant, or employee thereof, has violated any provisions of the Insurance Laws of the State of Virginia or any other State or has violated any rule or regulation lawfully made by the State Corporation Commission in this State or by the insurance regulatory authority of any other State, except as follows:

17. The applicant or any member of the partnership applicant is affiliated with, associated or a subsidiary of a general insurance agency or of an insurance agency, and the complete name and address of such general agency or agency is:

Name

Address

18. If the applicant is a partnership, state whether it is a general partnership or limited partnership:

19. The Manager of the Premium Finance business will be _____ who has the following experience:

20. Give the length of time that the applicant has operated an insurance premium finance business in this State or any other State (Set forth dates of operation, place of operation, and name of such operation)

21. It is further agreed and understood that 14 VAC 5-390 10 et seq. will have to be complied with prior to issuance of a license.

Signature of Individual Applicant

Name of Partnership Applicant

By _____
Partner

Partner

Partner

STATE OF _____

COUNTY (CITY) OF _____

On this day, before me personally came

who being by me severally duly sworn, depose and say, and each for himself and herself did depose and say that (s) he (they) executed the foregoing instrument; and that (s) be (they) has (have) read this foregoing instrument and know (s) the contents thereof, and the above was true and complete.

Sworn to and subscribed before me on this _____ day of _____, _____

Notary Public

My Commission Expires:

**COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
BUREAU OF INSURANCE
RICHMOND, VA 23218**

APPLICATION FOR LICENSE AS AN INSURANCE PREMIUM FINANCE COMPANY

(Before filing out this form, read the instructions carefully. All answers should be printed or typed. If additional space is required to complete any statement, prepare and annex a rider. Write "None" or "Not Applicable," where appropriate.)

_____,' _____

TO THE STATE CORPORATION COMMISSION, Bureau of Insurance, Richmond, Virginia:

Gentlemen:

The undersigned corporation desires to engage in business as an Insurance Premium Finance Company pursuant to the provisions of Chapter 47 of Title 38.2 of the Code of Virginia and does hereby make application for license in accordance with its terms.

1. The name of the corporation is _____

2. Does the corporation operate under an assumed name ____? If "yes", indicate name _____ and attach two copies of Certificate required by 59-170 of the Code of Virginia.

3. The number, street, office building and room number, municipality, county and state where the applicant will engage in the business for which this application is being made are _____

4. The corporation was incorporated under the laws of the State of _____ on _____, _____. A certified copy of such Certificate of Incorporation, a Copy of Charter or a Copy of Articles of Incorporation and any amendments thereto as well as a copy of bylaws is annexed hereto and made a part hereof.

5. The name and residence of each director and officer of the corporation are:

<u>Name</u>	<u>Residence</u>	<u>Title</u>

6. The name and residence of each stockholder who owns ten percent or more of any class of the outstanding capital stock of the corporation and the percent, number and class of the shares of stock held in the corporation are:

<u>Name</u>	<u>Residence</u>	<u>Shares of Stock Held</u>		
		<u>Percent</u>	<u>Number of Shares</u>	<u>Class</u>

7. Current financial statement of the corporation at the close of business as of _____, _____ attested to by the Secretary and notarized is annexed hereto and made a part hereof. Also attached is a copy of Report made to the Home State for last year.

8. No other business will be conducted on the licensed premises, except as follows:

9. The Manager is _____ who has the following experience:

10. (Complete only if corporation is a foreign corporation.) The address of the principal place of business of the corporation is:

11. The corporation has one or more branches, subsidiaries or affiliates operating in this State, and the complete names and addresses of such places of business are:

12. The address of the principal place of business in this State is:

13. The corporation will make all relevant books, records, accounts and documents available at _____

14. Neither the corporation, nor any director, officer or employee thereof, nor any stockholder who owns ten percent or more of any class of outstanding capital stock of the corporation has ever applied for a license to engage in the business of an Insurance Premium Finance Company in this State, except as follows: (Set forth name of applicant, date and place of application and disposition thereof.)

15. Neither the corporation, nor any director, officer or employee thereof, nor any stockholder who owns ten percent or more of any class of outstanding capital stock of the corporation previously licensed under Chapter 47 of Title 38.2 of the Code of Virginia, has had no such license suspended or revoked, except as follows:

16. Neither the corporation, nor any director, officer or employee thereof, nor any stockholder who owns ten percent or more of any class of outstanding capital stock of the corporation has ever applied to any other State for a license to engage in the business of insurance premium financing, except as follows: (Set forth name of applicant, date and place of application and disposition thereof.)

17. No license to engage in the business of an Insurance Premium Finance Company, issued by any other State to the corporation, or to any director, officer or employee thereof, nor any stockholder who own ten percent or more of any class of outstanding capital stock of the corporation has ever been suspended or revoked, except as follows: (Set forth name of the licensee, date and place of suspension or revocation of license, and reason for such suspension or revocation.)

18. No finding has been made by the State Corporation Commission or other proper authority that the corporation or any director, officer or employee thereof, nor any stockholder who owns ten percent or more of any class of outstanding stock of the corporation has violated any provisions of the Insurance Laws of the State of Virginia or any other State or has violated any rule or regulation lawfully made by the State Corporation Commission in this State or by the insurance regulatory authority of any other State, except as follows:

19. No director, officer or employee thereof, nor any stockholder who owns ten percent or more of any class of outstanding capital stock of the corporation has ever been arrested, indicted or convicted for any crime in any jurisdiction, except as follows: (Set forth date, place, charge, and name of defendant.)

20. Give the length of time that the applicant has operated an insurance premium finance business in this State or any other State (Set forth dates of operations, place of operation and name of such operation.)

21. It is further understood that 14 VAC 5-390-20 will have to be complied with prior to issuance of a license.

Name of corporate applicant

By _____
President

ATTEST: _____
Secretary

(Corporate Seal)

STATE OF _____
COUNTY (CITY) of _____

On this day personally appeared before me, an officer duly authorized to administer oaths and take acknowledgments, _____ and _____ known to me to be the individuals described in and who executed the foregoing instrument as the president and secretary of the above named

a corporation, and severally acknowledged to and before me that they executed such instrument as such president and secretary, respectively, of said corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that it was affixed to said instrument by due and regular corporate authority, and that they read the foregoing instrument and know the contents thereof, and the same are true and complete.

President

Secretary

Sworn to and subscribed before me on this _____ day of _____, _____

Notary Public

My Commission Expires: _____

**COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
BUREAU OF INSURANCE**

**BIOGRAPHICAL AFFIDAVIT
(PRINT OR TYPE)**

Full Name and Address of Company (Do Not Use Group Names).

In connection with the above named company, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) **IF ANSWER IS "NO" OR "NONE", SO STATE.**

1. Affiant's Full Name (Initials Not Acceptable).

2. a. Have you ever had your name changed? ____ If yes, give the reason for the change.

b. Other names used at any time

3. Affiant's Social Security Number

4. Date and Place of Birth

5. Affiant's Business Address

Business Telephone _____

6. List your residences for the last ten (10) years starting with your current address:

DATE **ADDRESS** **CITY AND STATE**

7. Education: Dates, Names, Locations and Degrees

College

Graduate

Studies

Other

8. List memberships in Professional Societies and Associations.

9. Present or Proposed Position(s) with the Applicant Company.

10. List complete employment record (begin with current employment, include jobs, positions, directorates or officerships for the past twenty (20) years) using the following format:

DATES

EMPLOYER AND ADDRESS

TITLE

11. (Circle One) Present employer may be contacted: Yes No
(Circle One) Former employer may be contacted: Yes No

12. a. Have you ever been in a position which required a fidelity bond? Yes ____ No ____
 If any claims were made on the bond, give details.

- b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? ____ If yes, give details.

13. List any professional, occupational, and vocational licenses issued by any public or governmental licensing agency or regulatory authority which you presently hold or have held in the past (Include date licensed issued, issuer of license, date terminated, reason for termination.)

14. During the last ten (10) years, have you ever been refused a professional, occupational, or vocational license by any public or governmental licensing agency or regulatory authority, or has any such license held by you ever been suspended or revoked? ____ If yes, give details.

15. List any business in which you control directly or indirectly or own legally or beneficially 10% or more of the outstanding stock (in voting power) or its equivalent.

If any of the stock is pledged or hypothecated in any way, give details.

16. Will you or members of your immediate family subscribe to or own, beneficially or of record, shares of stock of the applicant insurance company or its affiliates?
____ If any of the shares of stock are pledged or hypothecated in any way, give details.

17. Have you ever been adjudged a bankruptcy?

18. a. Have you ever been convicted or had a sentence imposed or suspended or had pronouncement of a sentence suspended or been pardoned for conviction of or pleaded guilty or nolo contendere to an information or indictment charging any felony, or charging a misdemeanor involving embezzlement, theft, larceny, or mail fraud, or charging a violation of any corporate securities statute or any insurance law, or have you been the subject of any disciplinary proceedings of any federal or state regulatory agency? _____ If yes, give details.

b. Has any company been so charged, allegedly as a result of any action or conduct on your part? _____ If yes, give details.

19. Have you ever been an officer, director, trustee, investment committee member, key employee, or controlling stockholder of any insurer which, while you occupied such position or capacity with respect to it, become insolvent or was placed under supervision or in receivership, rehabilitation, liquidation or conservatorship?

20. Has the certificate of authority or license to do business of any insurance company of which you were an officer or director or key management person ever been suspended or revoked while you occupied such position? _____ If yes, give details.

Dated and signed this _____ day of _____, 20____
at _____.

I hereby certify under penalty of perjury that I am acting on my own behalf and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of _____ County of _____

Personally appeared before me the above named _____
personally known to me, who, being duly sworn, deposes and says that he/she
executed the above instrument and that the statements and answers contained therein
are true and correct to the best of his/her knowledge and belief.

Subscribed and sworn to before me this _____ day of _____, 20____

(SEAL)

Notary Public

My Commission Expires: _____

VAPF3

**COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
BUREAU OF INSURANCE
P.O. BOX 1157
RICHMOND, VIRGINIA 23218**

FINANCIAL STATEMENT

**in connection with application for license of an
Insurance Premium Finance Company**

Name _____ Address _____

TO THE STATE CORPORATION COMMISSION, Bureau of Insurance, Richmond
Virginia:

The undersigned makes the following statement of all its assets and liabilities at
the close of business as of the _____ day of _____, _____ and
gives other material information in support of an application by _____
_____ for a
license as an Insurance Premium Finance Company.

ASSETS

Cash (See Schedule No. 1)	_____
Accounts and Loans Receivable	_____
Notes Receivable	_____
Notes Receivable, Discounted	_____
Life Insurance Cash Surrender Value	_____
Securities (See Schedule No. 2)	_____
Mortgages Owned	_____
Real Estate (See Schedule No. 3)	_____
Automobiles	_____
Other Assets (Itemize):	_____
_____	_____
_____	_____

TOTAL ASSETS

Please Designate Whether Receivable and Payable are Long or Short Term

LIABILITIES AND NET WORTH

Notes Payable to Banks Unsecured (See Schedule No. 1)	_____
Notes Payable to Banks Secured (See Schedule No. 1)	_____
Notes Receivable, Discounted	_____
Notes Payable to Others, Unsecured	_____
Loans against Life Insurance	_____
Accounts Payable	_____
Interest	_____
Taxes and Assessments Payable	_____
Brokers Margin Accounts	_____
Mortgages Payable on Real Estate (See Schedule No. 3)	_____
Other Liabilities (Itemize):	

TOTAL LIABILITIES

NET WORTH

Preferred Stock	_____
Common Stock	_____
Surplus	_____

TOTAL NET WORTH

TOTAL LIABILITIES AND NET WORTH

SUPPLEMENTAL SCHEDULES

No. 1 BANKING RELATIONS (A list of all bank accounts, including savings)

Name and Location of Bank	CASH BALANCE	AMOUNT OF LOAN	How Endorsed Guaranteed or Secured

No. 2 SECURITIES OWNED (Stocks, Bonds, etc., but not Mortgages)

FACE VALUE (BONDS) NO. OF SHARES (STOCKS)	DESCRIPTION OF SECURITY	COST	PRESENT MARKET VALUE	TO WHOM PLEDGED

No. 3 REAL ESTATE OWNED

LOCATION AND DESCRIPTION	COST WITH IMPROVEMENTS	ASSESSED VALUE	PRESENT VALUE

No. 4 MORTGAGES PAYABLE (* Before Depreciation)

AMOUNT	MATURITY	YEARLY RENTAL	GROSS INCOME	YEARLY OPER. EXPENSES	*YEARLY NET RENTAL INCOME	TAXES, ASSES., & INT. DUE & UNPAID

CONTINGENT LIABILITY. The undersigned has no contingent liabilities, as endorser, guarantor, or otherwise, except the following: (Give Details)

SUITS, JUDGMENTS AND OTHER LEGAL ACTIONS. There are outstanding or pending against the undersigned, no suits, judgments, or other legal actions, and, to the best of the undersigned's knowledge, no legal actions are to be started against the undersigned, except as follows: (Give Details)

PLEDGE, ASSIGNMENT, AND TRANSFER OF TITLE OF ASSETS. As of the date of the statement of assets and liabilities, included in this financial statement, the undersigned has not pledged, assigned, hypothecated, or transferred the title of any of the assets as listed heretofore, except as noted in the various schedules of this financial statement; and the undersigned has not pledged, assigned, hypothecated, or transferred the title of any such assets, except as follows: (Give Details)

The undersigned has carefully read the foregoing statements and all printed and written matter therein, and hereby certifies that all the statements are known to me to be true and to give a correct showing of the undersigned's financial condition, and that the undersigned has no liabilities, direct or contingent, business or accommodation, except as set forth in said complete statement, and that the legal and equitable title to all assets therein set forth is in the name of the undersigned solely, except as otherwise noted therein.

Signed this _____ day of _____, _____.

Name of Corporation
By _____

Sworn to and subscribed before me on this _____ day of _____, _____

Notary Public

My Commission Expires: _____

Bond No. _____

VAPF4

BOND FOR INSURANCE PREMIUM FINANCE COMPANY

(TO COMPLY WITH SECTION 38.2-4708 OF THE CODE OF VIRGINIA)

KNOWN ALL MEN BY THESE PRESENTS, That

_____ of _____,
as Principal, and _____,
a corporation organized and existing under the laws of the State of _____
and authorized to do the business of the Commonwealth of Virginia, as Surety are held
and firmly bound unto the COMMONWEALTH OF VIRGINIA in the penal sum of FIFTY
THOUSAND DOLLARS (\$50,000) for the payment of which, well and truly to be made,
we and each of us, bind ourselves, our heirs, successors, and assigns, jointly and
severally, firmly by these presents.

SIGNED, SEALED AND DATED this _____ day of _____, _____.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, the Principal has applied to the State Corporation Commission of the Commonwealth of Virginia for a license to engage in the business of financing insurance premiums pursuant to Section 38.2-4701 of the Code of Virginia and in accordance with Section 38.2-4708 thereof, is required to give a surety bond unto the COMMONWEALTH OF VIRGINIA.

NOW, THEREFORE, the condition of this obligation is such that if the Principal shall be licensed by the State Corporation Commission to conduct such business and if the Principal shall conduct such business in full compliance with the provisions of the laws of the Commonwealth of Virginia and rules and regulations prescribed by the State Corporation Commission pursuant to law pertaining to Insurance Premium Finance Companies, then this obligation shall be null and void; otherwise to remain in full force and effect;

CONDITIONED FURTHER, that this bond shall be for the use and benefit of the Commonwealth of Virginia and for any person having a cause of action against the Principal arising out of breaches of the above-mentioned laws and regulations; provided, however, that in no event shall the liability of the Surety to all such persons for all breaches of the conditions of this bond exceed in the aggregate of the penal sum of this bond.

The Surety may be released from liability for future breaches of the condition of this bond giving (30) days written notice to the Principal and the Commissioner of

Insurance, State Corporation Commission, Commonwealth of Virginia, of its desire to be released.

IN WITNESS WHEREOF, the said Principal has hereunto set his hand and seal and the said Surety has caused these presents to be signed by its duly authorized officer or Attorney-in-Fact and its corporate seal affixed on the day and year written above.

(SEAL)

(PRINCIPAL)

By _____

(SEAL)

(SURETY)

BY _____